

November 18, 2003

The Honorable Tom Daschle Minority Leader United States Senate Washington DC 20510

Dear Senator Daschle:

On behalf of the 1.4 million members of the United Food and Commercial Workers International Union (UFCW), I am writing to express our strong opposition to the proposed agreement to reform and expand Medicare.

Our worst fears have been realized. After all of the analyses, negotiations, and attempts to reach common ground, the agreement placed before Congress forces senators to accept a flawed proposal or no proposal.

Let me state explicitly why this deal is a bad deal and should be rejected.

- It damages the benefit plans of tens of thousands of UFCW retirees—and other retirees—who may lose their existing negotiated prescription drug benefits.
- It prohibits the government from using the buying power of 41 million Medicare beneficiaries to obtain better drug prices on prescription drugs, and undercuts state and local efforts to utilize the Canadian system for safe and less costly prescription drugs.
- It creates a stacked competition between private insurers and traditional Medicare, offering subsidies to the private insurers while letting them attract younger, healthier beneficiaries.

In essence, former Speaker Gingrich's effort to have Medicare "whither on the vine" would be accomplished by this effort. UFCW is a strong supporter of health care for America's retirees. We wanted to be in a position to support a Medicare bill that protects health care for seniors, while expanding coverage to include prescription drugs. Unfortunately, this proposal undercuts both of those goals. It would be better to spend more time on legislation which comes closer to accomplishing these goals than to enact a flawed proposal which will cause irreparable harm to the Medicare program and its beneficiaries. We strongly urge your opposition to the proposed Medicare deal.

Thank you for your consideration of these views.

Sincerely,